



**ARIZONA STATE SENATE**  
*Fifty-Fifth Legislature, First Regular Session*

**REVISED**  
FACT SHEET FOR S.B. 1468

DPS; pension liability; supplemental appropriation

Purpose

Appropriates \$300 million from the state General Fund (state GF) in FY 2021 to the Public Safety Personnel Retirement System (PSPRS) to be deposited in the employer account of the Department of Public Safety (DPS) PSPRS Group to reduce the unfunded accrued liability.

Background

DPS is responsible for creating and coordinating services for use by local law enforcement agencies in protecting the public safety. DPS consists of the following divisions: 1) Arizona highway patrol; 2) narcotics enforcement and criminal investigation; 3) scientific criminal analysis; and 4) training and education (A.R.S. §§ [41-1711](#) and [41-1712](#)).

Established in 1968, PSPRS provides a uniform, consistent and equitable statewide retirement program for public safety personnel who are regularly assigned hazardous duties in the employ of the State of Arizona or a political subdivision. PSPRS functions as either a defined benefit plan or a defined contribution plan ([A.R.S. § 38-841](#)).

As of June 30, 2020, the funded status of the PSPRS DPS Group is 33.8 percent.

The Joint Legislative Budget Committee (JLBC) fiscal note states that S.B. 1468 would increase state GF spending by \$300 million in FY 2021. Beginning in FY 2023, JLBC estimates that annual DPS PSPRS employer contributions would be reduced by \$(39.9) million, with \$31.9 million of those savings accruing to the state GF and \$8.0 million of those savings accruing to DPS non-General Fund sources ([JLBC fiscal note](#)).

Provisions

1. Appropriates \$300 million from the state GF in FY 2021 to PSPRS to be deposited in the employer account of the DPS PSPRS Group to reduce the unfunded accrued liability.
2. Becomes effective on the general effective date.

Revisions

- Updates the fiscal impact statement.